

## EDWARDS & ANGELL

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January 24, 1996

Mr. Terrence Gray  
Chief  
Division of Site Remediation  
Department of Environmental Management  
291 Promenade Street  
Providence, Rhode Island 02908-5767

Re: Melville Marine Industries - Melville North Landfill

Dear Terry:

On behalf of Melville Marine Industries ("MMI"), I am writing in connection with the remediation of the Melville North Landfill in Portsmouth, Rhode Island, which, although located on land owned by MMI, has been and is being conducted by the U.S. Navy.

As you know, when MMI purchased the land in Melville in 1984, the Navy agreed to conduct any required remediation of any then existing hazardous waste or materials located on or under this land. As you also know, MMI recently completed the federal, state and local licensing and permitting for the construction and operation of a waterfront recreational facility on such land. However, the completion of the remediation of the Landfill by the Navy remains an important issue in the actual construction and development of the MMI project.

It is my understanding that the Navy has made the following progress concerning the remediation of the Landfill:

- The Navy has identified two areas within the Landfill for removal actions.
- With respect to the "South Area" the Navy has removed therefrom and stockpiled on site a quantity of oil-soaked soils which will ultimately be removed from the site.

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- With respect to the "North Area," due to the presence of some lead and asbestos in the soil, the Navy is currently conducting some tests and considering various alternatives for the removal of such contaminated soil and the completion of remediation of this Area. The Navy will test this Area to confirm that there has been no migration of contaminants; if there has been, then they will conduct any additional required soil removal.
- The Navy is in the process of conducting a remediation plan that will recommend final closure of the Landfill.

It is my further understanding that the Department of Environmental Management ("DEM") has indicated to the U.S. Environmental Protection Agency, Region I, that DEM will not be issuing a so-called "Governor's letter" requesting that the Landfill site be placed on the NPL. Therefore, in view of the foregoing, it is my understanding that EPA has apparently placed its Hazard Ranking System ("HRS") study of the Landfill site on hold and that DEM will oversee the completion of the remediation pursuant to the provisions of the recently enacted Site Remediation regulations and statute.

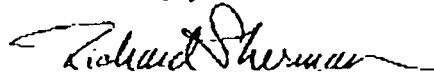
To that end, Ted Hood and Everett Pearson at MMI view these developments as a genuine opportunity for this site to be a leading example of the economic reuse of formerly contaminated federal land. As you may know, the various federal and state permits that MMI has for the project allow for the construction and development of the project literally around the Landfill site. However, it would make a great deal more sense for the project to be developed as originally conceived.

Therefore, the principal purpose of this letter is to request your cooperation and assistance in discussing the completion of the remediation of the Landfill site and the establishment of a timetable for such completion so that the MMI project will be better placed to attract the investment necessary for its construction and development. We are interested in working with you and others in the Division in this regard.

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After you have had the chance to discuss this matter with your colleagues, please give me a call. Thank you in advance for your assistance and cooperation in this matter

Sincerely yours,



Richard A. Sherman

CC: Mr. Paul Kulpa, DEM Division of Site Remediation  
Claude Cote, Esq., DEM Office of Legal Services  
Frederick E. Hood, MMI  
Everett Pearson, MMI  
Brad Wheeler, U.S. Navy  
P. Dean Coker

OPTIONAL FORM 99 (7-90)

**FAX TRANSMITTAL**

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